

BEFORE THE SECURITIES COMMISSIONER

STATE OF COLORADO

Case No. XY 14 - CD - 09

**STIPULATION FOR CONSENT CEASE AND DESIST ORDER CONCERNING
WORLD CAPITAL MARKETS, INC., WCM777, INC. AND MING XU**

IN THE MATTER OF WORLD CAPITAL MARKETS, INC., WCM777, INC. AND MING
XU

The staff of the Colorado Division of Securities ("Staff") and Respondents World Capital Markets, Inc., WCM777, Inc. and Ming Xu ("Respondents") hereby enter into this Stipulation for Consent Cease and Desist Order in this matter as follows:

1. Pursuant to the authority provided in §11-51-601, C.R.S., the Staff conducted an investigation into the Respondents' offers and sales of certain securities in Colorado. Based on its investigation, the Staff alleges as follows:

- a. At all relevant times to this matter, Respondents World Capital Markets, Inc. and Ming Xu were located at 150 S. Los Robles Ave., Suite 900, Pasadena, California 91101;
- b. At all relevant times to this matter, Respondent WCM777, Inc. was located at 1218 John Reed Court, City of Industry, CA 91745;
- c. From at least March 8, 2013 to September 30, 2013, the Respondents engaged in offers and sales of unregistered securities to Colorado investors;
- d. The Respondents advertised their investment opportunity through publicly accessible websites that included <http://www.wcm777.com>;
- e. The Respondents used websites, webinars, and live presentations on the world wide web to offer investors the opportunity to invest in packages that allow them to access WCM777's cloud media services and opportunities to earn commissions and participate in profit sharing;
- f. The Respondents' marketing campaign has advertised returns of over 90% to participants;
- g. Colorado residents invested money in the Respondents' investment opportunity;
- h. The investment opportunity constituted at least offers and sales of "investment contracts" and was therefore offers and sales of securities;
- i. The Respondent's securities offering was not registered with the Securities Commissioner, nor was it exempt from registration; and
- j. The offers and sales were performed in violation of §11-51-301 C.R.S.

The Staff and the Respondents desire to resolve this matter without further litigation and, prior to the entry of a final order by the Securities Commissioner, hereby stipulate and agree as follows:

2. The Securities Commissioner for the State of Colorado has jurisdiction over the Respondents and the subject matter of this action.

3. The Respondents agree to the entry of a Consent Order in the form attached hereto as Exhibit A and incorporated herein by reference.

4. By entering into this Stipulation, the Respondents neither admit nor deny that the allegations and grounds set forth in this Stipulation are true.

5. By entering into this Stipulation, the Respondents understand that they have the right to notice and a formal hearing pursuant to §11-51-606(1) and (1.5), C.R.S., the right to be represented by counsel of his choice, the right to present a defense through oral or documentary evidence and to cross-examine witnesses and to findings required by §11-51-606(1.5), C.R.S., at such hearing. By entering into this Stipulation, the Respondents expressly waive the rights set forth in this Paragraph 6, and further waive the right to seek judicial review of the Cease and Desist Consent Order entered pursuant to this Stipulation.

6. The Respondents acknowledge that they have entered into this Stipulation voluntarily, after the opportunity to consult with counsel of their choice, and with the understanding of the legal consequences of this Stipulation and Consent Cease and Desist Order.

7. The Respondents hereby waive the findings required by § 11-51-606(1.5)(d)(IV), C.R.S.; and, pursuant to § 11-51-704(2), C.R.S., agree that the entry of this Consent Cease and Desist Order is necessary and appropriate in the public interest and is consistent with the purposes and provisions of the Act.

8. The Respondents further acknowledge that any violation of this Stipulation or Consent Order when issued may constitute grounds for further sanctions and formal proceedings against them for such violation.

WORLD CAPITAL MARKETS, INC.

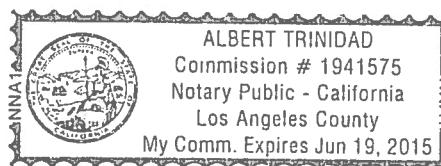


MING XU, Chairman
on behalf of World Capital Markets, Inc.


Subscribed and sworn before me this 17 day of JANUARY, 2014 by Ming Xu.



Notary Public

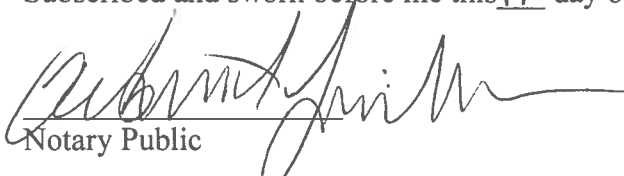


WCM777, INC.

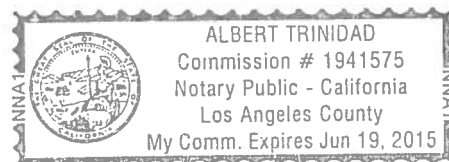


MING XU, Co-Founder
on behalf of WCM777, Inc.

Subscribed and sworn before me this 17 day of JANUARY, 2014 by Ming Xu.



Notary Public

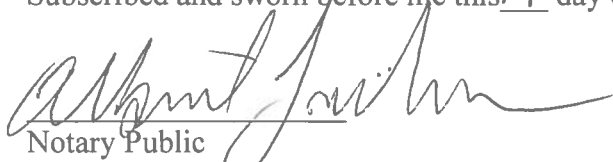


MING XU

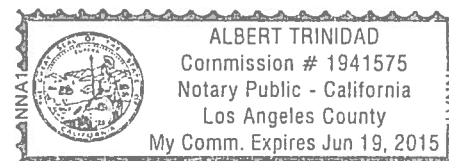


MING XU

Subscribed and sworn before me this 17 day of JANUARY, 2014 by Ming Xu.



Notary Public



THE STAFF OF THE DIVISION OF SECURITIES

By: 
RHEA BABCOCK
Chief Investigator

1/17/14
Date

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT
CIVIL CODE § 1189

State of California

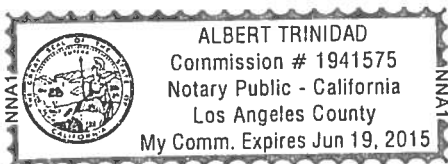
County of LOS ANGELES

On 1-17-2014 before me, ALBERT TRINIDAD, NOTARY PUBLIC,
Date Here Insert Name and Title of the Officer

personally appeared

MING XU

Name(s) of Signer(s)



Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

Signature of Notary Public

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____